

## **KPMG Consulting – Verizon Responses regarding New Jersey Exception Report #8**

<b>Exception:</b>	8
<b>Component:</b>	The testing of Verizon New Jersey (VZN-NJ) directory listing verification by KPMG Consulting indicates that VZN-NJ has not consistently ensured that directory databases are updated as specified in orders submitted by KPMG Consulting, resulting in a 31.6% failure rate.
<b>Domain:</b>	RPM
<b>Date Uncovered by KPMG:</b>	10/30/00
<b>Date VERIZON Received:</b>	11/17/00
<b>Date of initial VERIZON Response:</b>	12/1/00
<b>KPMG Consulting Summary Statement</b>	<p>VZN-NJ has not met the required standards, resulting in damage to the CLEC-customer relationship due to unmet customer expectations. Directory Listings that are not listed or incorrectly listed will result in CLEC customers either being omitted from the VZN-NJ directories and/or Directory Assistance databases, or listed incorrectly. CLECs cannot expect to satisfy and maintain customers when UNE orders have a 31.6% failure rate, substantially exceeding the 5% failure rate performance standard.</p>
<b>KPMG Consulting Response</b>	<p><b><u>KPMG Consulting 2/13/01 Reply to Verizon's 12/1/00 Response</u></b></p> <p>As a result of further investigation of VZN-NJ's 12/1/00 response to Exception Report #8, KPMG Consulting reviewed each of the 177 orders that comprised the directory listing test sample. As a result of this additional review, KPMG Consulting has concluded that 15 of the 177 orders will be omitted from the sample due to KPMG Consulting submitting incorrect orders; this results in a resulting in a test sample of 162. Of the 162 orders reviewed, 152 orders were provisioned correctly in the Directory Listings database resulting in a success rate of 93.8%. This result is not statistically significantly different from 95% (the p-value is .2929, far from the .0500 or less necessary for a statistically significant difference at the 5% error level). Thus, KPMG Consulting will assign a finding of "Satisfied" to the relevant evaluation criteria in the final report.</p> <p>In the absence of any other activity or information, KPMG Consulting closes Exception 8 for testing purposes.</p>
<b>KPMG Consulting Response:</b>	<p>The table below details KPMG Consulting's findings: <b><u>KPMG Consulting's 1/12/01 Reply to Verizon's 12/1/00 Response</u></b></p> <p>As a result of VZN-NJ's 12/1/00 response to Exception Report #8, KPMG Consulting conducted further review of each of the 177 orders that comprised the directory listing test sample. Particular attention was given to the 55</p>

orders that KPMG Consulting designated as “Fail” which are detailed in the table below. As a result of this supplemental review, KPMG Consulting has concluded the following:

#	PON	TN	VZN-NJ Comments	KPMG Consulting Comments	Testing Status
2	005011NN0X010018	7328314400	Address omitted as LSR requested based on Operator Svc search record	Error in original Exception Report #8 as to why this listing was incorrect. Address was omitted from directory assistance as requested on the DL form; however, the city remains incorrect. The DL request indicates Dover Twp and directory assistance indicates Toms River. To further ensure this listing was incorrect, KPMG called directory assistance multiple times to request the listing and was given incorrect telephone numbers in each instance.	Fail
3	079011NN0X010006	6096167367	Street name is listed correctly based on Operator Svc search record	Agree. DL is correct	Pass
4	079031NN0X000018	6096167362	Street name is listed correctly based on Operator Svc search record	Agree. DL is correct	Pass
5	028011NN0X020001	7328312160	Indent style is correct based on Operator Svc search record	Agree. DL is correct	Pass
7	075021NN0X020002	2015332021	Subsequent PON # 075021NN0X000003 received - Listing is in Database	Based on further information provided by Verizon the correct name was listed as well as the original name listed for the specific telephone number.	Pass
8	011031NN0X000004	7325370591	TNS on LSR is 732 573-0591 which is listed in Dir Database.	Agree. DL is correct.	Pass
9	075021NN0X010006	7325652019	Operator service search indicates only 1 tn associated with this listing	Based on further information provided by Verizon the correct name was listed as well as the original name listed for the specific telephone number.	Pass
10	005091NF0X000001	6094042800	Both Listings are in the Database based on the Operator Svc search record	Omitted and will not be included in the final results.	Omitted
11	005091NN0X000002	6096713382	ML and AL have identical listings	Omitted and will not be included in the final results.	Omitted
12	005091NN0X000003	6096713383	ML and AL have identical listings	Omitted and will not be included in the final results.	Omitted
13	005091NN0X000004	6096713384	ML and AL have identical listings	Omitted and will not be included in the final results.	Omitted
14	005091NN0X000005	6096713385	ML and AL have identical listings	Omitted and will not be included in the final results.	Omitted
15	005091NN0X000006	7328314492	ML and AL have identical listings	Omitted and will not be included in the final results.	Omitted
16	005091NN0X000007	7328314493	ML and AL have identical listings	Omitted and will not be included in the final results.	Omitted
17	005091NN0X000008	7328314494	ML and AL have identical listings	Omitted and will not be included in the final results.	Omitted
18	005091NN0X000009	7328314495	ML and AL have identical listings	Omitted and will not be included in the final results.	Omitted

#	PON	TN	VZN-NJ Comments	KPMG Consulting Comments	Testing Status
19	015031NN0X000005	7328312505	ML and AL have identical listings	Omitted and will not be included in the final results.	Omitted
20	015031NN0X000007	7328312509	ML and AL have identical listings	Omitted and will not be included in the final results.	Omitted
21	015031NN0X000013	6096713206	ML and AL have identical listings	Omitted and will not be included in the final results.	Omitted
24	011011NN0X000004	6098836862	New TN 609 671-1914 is listed correctly in Directory Database	Agree. DL is correct.	Pass
25	011041NN0X000006	6094060491	New TN 609 671-0497 is listed correctly in Directory Database	Agree. DL is correct	Pass
26	011081NN0X010001	8569832468	KPMG submitted Supp1 to cancel PON	Agree. Omitted from test bed and will not be included in final results.	Omitted
27	011111NN0X000002	7328312869	PON requested Tel # change - new #732 573-1264 is in Database	Agree. DL is correct.	Pass
28	011111NN0X000003	7328312873	Pon requested Tel # change - new #732 573-9678 is in Database	Agree. DL is correct.	Pass
29	011111NN0X010001	7328312867	Pon requested Tel # change - new #732 294-4364 is in Database	Agree. DL is correct.	Pass
32	012061NN0X010001	6096715321	KPMG submitted Supp1 to cancel PON	Agree. Omitted from test bed and will not be included in final results.	Omitted
35	075011NF0X010001	2015332109	Subsequent PON # 075011NN0X000010 received - Listing is in Database	Based on further information provided by Verizon the correct listing was provided for the specific telephone number.	Pass
36	080041NN0X000018	6096167349	Listing is in Database based on Operator Svc search record	Based on further information provided by Verizon the correct listing was provided for the specific telephone number.	Pass
37	090011NN0X020001	2015332128	KPMG submitted Supp1 to cancel PON	Agree. Omitted from test bed and will not be included in final results.	Omitted
39	015011NN0X000004	6096714948	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
40	015011NN0X000005	6096714949	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
41	015011NN0X000006	7328312511	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
42	015011NN0X000007	7328312512	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
43	015011NN0X000008	7328312513	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
44	015011NN0X000010	7328314249	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
45	015011NN0X000011	7328314250	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
46	015011NN0X010002	6096714946	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass

#	PON	TN	VZN-NJ Comments	KPMG Consulting Comments	Testing Status
47	015011NN0X010003	6096714947	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
48	015021NN0X000001	7328312514	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
49	015021NN0X000002	7328312515	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
50	015031NN0X000006	7328312507	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
51	015031NN0X000009	8568104222	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
52	015031NN0X000010	8568104224	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
53	015031NN0X000011	6096713202	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
54	015031NN0X000012	6096713204	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass
55	015041NN0X010002	6096715307	Both Listings are in the Database based on the Operator Svc search record	Agree DL is correct.	Pass

**KPMG Consulting  
Response (cont'd):**

**KPMG Consulting's 2/13/01 Reply to Verizon's 12/1/00 Response (Cont'd)**

Based on the comments in the above table, KPMG Consulting has determined the following:

1. Several orders should not have been included in Exception Report #8 for the following reasons:

- Incorrect population of additional directory listing "RTY" field on the submitted LSR (12 instances)
- Supplemental orders were submitted that cancelled a directory listing order (3 instances)

2. The following error was made in Exception Report #8:

- KPMG Consulting was inaccurate in its indication as to the reason a directory listing order failed. KPMG Consulting conducted further review of this listing based on the correct reason and found that the listing was still incorrect. Therefore, this orders will not be removed from the directory listing test bed (1 instance)

3. Based on VZN-NJ's comments to Exception Report #8, additionally research has indicated that VZN-NJ accounts designated as "fail" or omitted are accurately listed in the VZN-NJ Directory Assistance database (30 instances)

Of the remaining 9 accounts that KPMG Consulting found to be incorrect, VZN-NJ agreed that the following accounts were not accurately listed due to manual error:

Pon #	PON	TN	VZ Comments
1	007011NN0X010004	7328312680	VZ agrees - manual error
6	072131NN0X000013	2015332111	VZ agrees - manual error
22	005011NN0X010005	7328312839	VZ agrees - manual error
23	007011NN0X000013	6096713246	VZ agrees - manual error
30	012041NN0X010001	8569831946	VZ agrees - manual error
31	012051NN0X010001	6096715317	VZ agrees - manual error
33	072121NN0X010012	6096167295	VZ agrees - manual error
34	074021NN0X000002	2015332166	VZ agrees - manual error
38	097041NN0X020001	8567973775	VZ agrees - manual error

**KPMG Consulting  
Response (cont'd):**

**KPMG Consulting's 2/13/01 Reply to Verizon's 12/1/00 Response (Cont'd)**

The following summary has been made based on KPMG Consulting's comments outlined above:

PONs removed from the sample because of order entry inaccuracies: 15

Modified testing sample size: 162

PONs with directory listings that are correct, including the 9 instances noted above that VZN-NJ agreed were incorrect: 152

Directory listings remaining incorrect: 10

The testing of VZN-NJ directory listing verification by KPMG Consulting indicates that VZN-NJ has consistently ensured that directory databases are updated as specified in orders submitted by KPMG Consulting, resulting in a 93.8% success rate. This result is not statistically significantly different from 95% (the p-value is .2929, far from the .0500 or less necessary for a statistically significant difference at the 5% error level). Thus, KPMG Consulting will assign a finding of "Satisfied" to the relevant evaluation criteria in the final report.

**KPMG Consulting  
Response (cont'd):**

**KPMG Consulting's 1/12/01 Reply to Verizon's 12/1/00 Response (Cont'd)**

Based on the comments in the above table, KPMG Consulting has determined the following:

- Several orders should not have been included in Exception Report #8 for the following reasons:
  - Incorrect population of additional directory listing "RTY" field on the submitted LSR (29 instances)
  - Supplemental orders were submitted that cancelled a directory listing order (3 instances)
- The following error was made in Exception Report #8:
  - KPMG Consulting was inaccurate in its indication as to the reason a directory listing order failed. KPMG Consulting conducted further review of these two listings based on the correct reason and found that the listing was still incorrect. Therefore, these orders will not be removed from the directory listing test bed (2 instances)
- Based on VZN-NJ's comments to Exception Report #8, additionally research has indicated that VZN-NJ accounts designated as "fail" are

accurately listed in the VZN-NJ Directory Assistance database (9 instances)

Of the remaining 9 accounts that KPMG Consulting found to be incorrect, VZN-NJ agreed that the following accounts were not accurately listed due to manual error.

The following summary has been made based on KPMG Consulting's comments outlined above:

PONs removed from the sample because of order entry inaccuracies: 32  
Modified testing sample size: 145  
PONs with directory listings that are correct, including the 9 instances noted above that VZN-NJ disputed: 131  
Directory listings remaining incorrect: 14

The testing of VZN-NJ directory listing verification by KPMG Consulting indicates that VZN-NJ has not consistently ensured that directory databases are updated as specified in orders submitted by KPMG Consulting, resulting in a 9.65% failure rate.

VZN-NJ has not met the required standards, resulting in damage to the CLEC-customer relationship due to unmet customer expectations. Directory listings that are not listed or incorrectly listed will result in CLEC customers either being omitted from the VZN-NJ directories and/or Directory Assistance databases, or listed incorrectly. CLECs cannot expect to satisfy and maintain customers when UNE orders have a 9.65% failure rate, substantially exceeding the 5% failure rate performance standard. As a result, a retest will be conducted.

**Verizon Response:**

**Verizon's 12/1/00 Response to the Exception (In addition to the comments in the tables above)**

This analysis indicates that Verizon has correctly provisioned 168 of the 177 KPMG tested orders, resulting in a 95% accuracy rate.

Since October 9<sup>th</sup>, Verizon has instituted numerous improvements based on our recognition of the value of additional accuracy improvements.

- A weekly analysis of several hundred random service orders is performed to ensure service order accuracy. Representatives then receive coaching and feedback from management based on these observations. The Team Leaders also receive feedback on trending observations throughout the TISOC, to proactively review the correct processes with their teams, to avoid future occurrences of these errors.
- The TISOC also emphasizes accuracy to the entire office through various forms of communication such as electronic banner boards, E-mail alerts, updates to their local web site, overhead paging and team huddles.

Based on the above, Verizon believes that substantial improvements have been made to the TISOC in the area of service order accuracy, including directory listing creation.